

FEDERAL PAY ADJUSTMENT—ALTERNATIVE PLAN

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

AN ALTERNATIVE PLAN FOR A FEDERAL EMPLOYEES' PAY ADJUSTMENT TO BECOME EFFECTIVE ON THE FIRST DAY OF THE FIRST APPLICABLE PAY PERIOD ON OR AFTER JANUARY 1, 1990, PURSUANT TO 5 U.S.C. 5305(c)(1)



SEPTEMBER 6, 1989.—Referred to the Committee on Post Office and Civil Service and ordered to be printed

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THE WHITE HOUSE
Washington, August 28, 1989.

Hon. THOMAS S. FOLEY,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Under the Federal Pay Comparability Act of 1970, the President is required to make a decision each year on what, if any, pay adjustment should be provided for Federal employees under the General Schedule and the related statutory pay systems.

My pay advisors have reported to me that an increase in pay rates averaging 28.62 percent, to be effective in October 1989, would be required under existing procedures to raise Federal pay rates to comparability with private sector pay rates for the same levels of work. However, the law also empowers me to prepare and transmit to the Congress an alternative plan for the pay adjustment if I consider such an alternative plan appropriate because of "national emergency or economic conditions affecting the general welfare."

The adverse budgetary and economic effects of a 28.62 percent pay raise clearly do not permit an increase of that magnitude. On the other hand, the Federal Government's continued ability to attract and retain qualified employees requires that the pay raise be greater than the 2 percent planning assumption in the Administration's FY 1990 budget request.

As a result of budget deliberations over the past few months, a general consensus has been reached, both within the Congress and between the Congress and the Administration, that the appropriate pay raise for Federal civilians in FY 1990 is 3.6 percent. The FY 1990 Bipartisan Budget Agreement of April 14, 1989, between the Administration and the leadership of the Congress assumed a Federal civilian employee pay raise of 3.6 percent, effective with the first full pay period in January 1990.

Further, the Treasury, Postal Service and General Government Appropriations Act, 1990 (H.R. 2989) that has passed both houses of the Congress and is now awaiting conference action contains a 3.6 percent pay raise. H.R. 2989 would freeze pay for the highest levels of the Executive Schedule, covering the Government's most senior appointees, as well as for equivalent levels in the legislative and judicial branches. I have urged the Congress, in my proposed "Senior Executives Salary Act of 1989" and "Judicial Salary Act of 1989," to take the decisive action that is needed to resolve the Government's critical problem of pay at the senior levels.

Accordingly, upon consideration of the reports of my Pay Agent and the Advisory Committee on Federal Pay, and in recognition of the Bipartisan Budget Agreement and completed congressional action, I have determined that the FY 1990 Federal civilian pay

raise will be made in accordance with the following alternative plan:

In accordance with section 5305(c)(1) of title 5, United States Code, the pay rates of the General Schedule and the related statutory pay schedules shall be increased by an overall percentage of 3.6 percent for each schedule, with such increase to become effective on the first day of the first applicable pay period beginning on or after January 1, 1990.

Accompanying this report and made a part hereof are the pay schedules that will result from this alternative plan, including, as required by section 5382(c) of title 5, United States Code, the rates of basic pay for the Senior Executive Service.

Sincerely,

GEORGE BUSH.

SCHEDULE 1
General Schedule

Providing a 3.6 Percent Increase
Effective in January 1990

	1	2	3	4	5	6	7	8	9	10
GS-1	\$10,581	\$10,935	\$11,286	\$11,637	\$11,990	\$12,197	\$12,544	\$12,893	\$12,910	\$13,232
2	11,897	12,180	12,574	12,910	13,053	13,437	13,821	14,205	14,589	14,973
3	12,982	13,415	13,848	14,281	14,714	15,147	15,580	16,013	16,446	16,879
4	14,573	15,059	15,545	16,031	16,517	17,003	17,489	17,975	18,461	18,947
5	16,305	16,849	17,393	17,937	18,481	19,025	19,569	20,113	20,657	21,201
6	18,174	18,780	19,386	19,992	20,598	21,204	21,810	22,416	23,022	23,628
7	20,195	20,868	21,541	22,214	22,887	23,560	24,233	24,906	25,579	26,252
8	22,367	23,113	23,859	24,605	25,351	26,097	26,843	27,589	28,335	29,081
9	24,705	25,529	26,353	27,177	28,001	28,825	29,649	30,473	31,297	32,121
10	27,206	28,113	29,020	29,927	30,834	31,741	32,648	33,555	34,462	35,369
11	29,891	30,887	31,883	32,879	33,875	34,871	35,867	36,863	37,859	38,855
12	35,825	37,019	38,213	39,407	40,601	41,795	42,989	44,183	45,377	46,571
13	42,601	44,021	45,441	46,861	48,281	49,701	51,121	52,541	53,961	55,381
14	50,342	52,020	53,698	55,376	57,054	58,732	60,410	62,088	63,766	65,444
15	59,216	61,190	63,164	65,138	67,112	69,086	71,060	73,034	75,008	76,982
16	69,451	71,766	74,081	76,396	78,190	79,438*	81,708*	83,978*	85,470*	
17	79,762*	82,420*	85,078*	85,470*	85,500*					
18	86,682*									

* The rate of basic pay payable to employees at these rates is limited to the rate for level V of the Executive Schedule, which would be \$78,200.

SCHEDULE 2

Foreign Service Schedule

Providing a 3.6 Percent Increase
Effective in January 1990

Step	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6	Class 7	Class 8	Class 9
1	\$59,216	\$47,983	\$38,881	\$31,505	\$25,529	\$22,822	\$20,402	\$18,239	\$16,305
2	60,992	49,422	40,047	32,450	26,295	23,507	21,014	18,786	16,794
3	62,822	50,905	41,249	33,424	27,084	24,212	21,644	19,350	17,298
4	64,707	52,432	42,486	34,426	27,896	24,938	22,294	19,930	17,817
5	66,648	54,005	43,761	35,459	28,733	25,686	22,963	20,528	18,351
6	68,648	55,625	45,074	36,523	29,595	26,457	23,652	21,144	18,902
7	70,707	57,294	46,426	37,619	30,483	27,251	24,361	21,778	19,469
8	72,828	59,013	47,819	38,747	31,397	28,068	25,092	22,432	20,053
9	75,013	60,783	49,253	39,910	32,339	28,910	25,845	23,105	20,655
10	76,982	62,607	50,731	41,107	33,310	29,778	26,620	23,798	21,274
11	76,982	64,485	52,253	42,340	34,309	30,671	27,419	24,512	21,913
12	76,982	66,420	53,820	43,610	35,338	31,591	28,241	25,247	22,570
13	76,982	68,412	55,435	44,919	36,398	32,539	29,088	26,004	23,247
14	76,982	70,465	57,098	46,266	37,490	33,515	29,961	26,785	23,944

SCHEDULE 3

Department of Medicine and Surgery Schedules

Providing a 3.6 Percent Increase
Effective in January 1990

Section 4103 Schedule

	1	2	3	4	5	6	7	8	9
Deputy Chief Medical Director	\$93,248**								
Associate Deputy Chief Medical Director . . .	89,314*								
Assistant Chief Medical Director	86,682*								
Medical Director	79,762*	\$80,718*	\$81,675*	\$82,631*	\$83,587*	\$84,544*	\$85,500*		
Director of Nursing Service	79,762*	80,718*	81,675*	82,631*	83,587*	84,544*	85,500*		
Director of Podiatric Service	69,451	71,766	74,081	76,396	78,190	79,438*	81,708*	\$83,978*	\$85,470*
Director of Chaplain Service	69,451	71,766	74,081	76,396	78,190	79,438*	81,708*	83,978*	85,470*
Director of Pharmacy Service	69,451	71,766	74,081	76,396	78,190	79,438*	81,708*	83,978*	85,470*
Director of Dietetic Service	69,451	71,766	74,081	76,396	78,190	79,438*	81,708*	83,978*	85,470*
Director of Optometric Service	69,451	71,766	74,081	76,396	78,190	79,438*	81,708*	83,978*	85,470*

** The rate of basic pay payable to this employee is limited to the rate for level IV of the Executive Schedule, which would be \$83,600.

* The rate of basic pay payable to employees at these rates is limited to the rate for level V of the Executive Schedule, which would be \$78,200.

SCHEDULE 3 (Continued)

Physician and Dentist Schedule

	1	2	3	4	5	6	7	8	9	10
Director Grade	\$69,451	\$71,766	\$74,081	\$76,396	\$78,190	\$79,438*	\$81,708*	\$83,978*	\$85,470*	
Executive Grade	64,129	66,267	68,405	70,543	72,681	74,819	76,957	79,095*	76,499	\$78,512*
Chief Grade	59,216	61,190	63,164	65,138	67,112	69,086	71,060	73,034	75,008	76,982
Senior Grade	50,342	52,020	53,698	55,376	57,054	58,732	60,410	62,088	63,766	65,444
Intermediate Grade	42,601	44,021	45,441	46,861	48,281	49,701	51,121	52,541	53,961	55,381
Full Grade	35,825	37,019	38,213	39,407	40,601	41,795	42,989	44,183	45,377	46,571
Associate Grade	29,891	30,887	31,883	32,879	33,875	34,871	35,867	36,863	37,859	38,855

Clinical Podiatrist and Optometrist Schedule

	1	2	3	4	5	6	7	8	9	10
Chief Grade	\$59,216	\$61,190	\$63,164	\$65,138	\$67,112	\$69,086	\$71,060	\$73,034	\$75,008	\$76,982
Senior Grade	50,342	52,020	53,698	55,376	57,054	58,732	60,410	62,088	63,766	65,444
Intermediate Grade	42,601	44,021	45,441	46,861	48,281	49,701	51,121	52,541	53,961	55,381
Full Grade	35,825	37,019	38,213	39,407	40,601	41,795	42,989	44,183	45,377	46,571
Associate Grade	29,891	30,887	31,883	32,879	33,875	34,871	35,867	36,863	37,859	38,855

Nurse Schedule

	1	2	3	4	5	6	7	8	9	10
Director Grade	\$59,216	\$61,190	\$63,164	\$65,138	\$67,112	\$69,086	\$71,060	\$73,034	\$75,008	\$76,982
Assistant Director Grade	50,342	52,020	53,698	55,376	57,054	58,732	60,410	62,088	63,766	65,444
Chief Grade	42,601	44,021	45,441	46,861	48,281	49,701	51,121	52,541	53,961	55,381
Senior Grade	35,825	37,019	38,213	39,407	40,601	41,795	42,989	44,183	45,377	46,571
Intermediate Grade	29,891	30,887	31,883	32,879	33,875	34,871	35,867	36,863	37,859	38,855
Full Grade	24,705	25,529	26,353	27,177	28,001	28,825	29,649	30,473	31,297	32,121
Associate Grade	21,259	21,968	22,677	23,386	24,095	24,804	25,513	26,222	26,931	27,640
Junior Grade	18,174	18,780	19,386	19,992	20,598	21,204	21,810	22,416	23,022	23,628

* The rate of basic pay payable to employees at these rates is limited to the rate for level V of the Executive Schedule, which would be \$78,200.

SCHEDULE 4--SENIOR EXECUTIVE SERVICE

Providing a 3.6 Percent Increase
Effective in January 1990

- ES-1 the sum of \$71,200 and an amount equaling 28.8 percent of the amount by which the rate in effect from time to time for level IV of the Executive Schedule exceeds \$83,600, rounded to the nearest multiple of \$100.
- ES-2 the sum of \$74,400 and an amount equaling 31.0 percent of the amount by which the rate in effect from time to time for level IV of the Executive Schedule exceeds \$83,600, rounded to the nearest multiple of \$100.
- ES-3 the sum of \$77,600 and an amount equaling 38.4 percent of the amount by which the rate in effect from time to time for level IV of the Executive Schedule exceeds \$83,600, rounded to the nearest multiple of \$100.
- ES-4 the sum of \$79,200 and an amount equaling 55.0 percent of the amount by which the rate in effect from time to time for level IV of the Executive Schedule exceeds \$83,600, rounded to the nearest multiple of \$100.
- ES-5 the sum of \$81,400 and an amount equaling 74.8 percent of the amount by which the rate in effect from time to time for level IV of the Executive Schedule exceeds \$83,600, rounded to the nearest multiple of \$100.
- ES-6 the sum of \$83,600 and the amount by which the rate in effect from time to time for level IV of the Executive Schedule exceeds \$83,600.

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